Food Employers Labor Relations Association and United Food and Commercial Workers VEBA Fund

Financial Statements

December 31, 2019

CALIBRE CPA GROUP

Food Employers Labor Relations Association and United Food and Commercial Workers VEBA Fund

Financial Statements

Years Ended December 31, 2019 and 2018

Contents

CALIBRE
CPA GROUP

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REPORT OF INDEPENDENT AUDITORS

The Board of Trustees of the
Food Employers Labor Relations Association and
United Food and Commercial Workers VEBA Fund

We have audited the accompanying financial statements of Food Employers Labor Relations Association and United Food and Commercial Workers VEBA Fund (the Plan), which comprise the statements of net assets available for benefits and of benefit obligations as of December 31, 2019 and 2018, and the related statements of changes in net assets available for benefits and of changes in benefit obligations for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Plan's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the Plan as of December 31, 2019 and 2018 and the changes in its financial status for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information on pages 17 through 27 as of December 31, 2019 and 2018 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The supplemental information on pages 17 through 22 is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Security Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CalibreCPAGroup, PLLC

Bethesda, MD
October 8, 2020

FOOD EMPLOYERS LABOR RELATIONS ASSOCIATION AND UNITED FOOD AND COMMERCIAL WORKERS VEBA FUND

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2019 AND 2018

	2019	2018
ASSETS		
INVESTMENTS - AT FAIR VALUE	$ 39,306,393	$ 31,018,838
RECEIVABLES		
Participating employers' contributions	10,918,250	19,539,384
Interest and dividends	126,663	95,162
Due from broker for investments sold	-	19,651
Prescription rebates receivable	5,206,800	3,456,115
Other receivables and prepaid expenses	45,730	34,620
Total receivables	16,297,443	23,144,932
CASH	3,041,987	3,068,043
Total assets	58,645,823	57,231,813
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	2,245,394	2,203,888
NET ASSETS AVAILABLE FOR BENEFITS	$ 56,400,429	$ 55,027,925

See accompanying notes to financial statements.

Food Employers Labor Relations Association and United Food and Commercial Workers VEBA Fund

Statements of Changes in Net Assets Available for Benefits

Years Ended December 31, 2019 and 2018

	2019	2018
Additions		
Contribution income		
Participating employers	$ 129,563,089	$ 133,655,026
Participants	4,614,989	4,687,818
Total contribution income	134,178,078	138,342,844
Investment income		
Net change in fair value of investments	1,361,467	(312,480)
Interest and dividends	997,033	660,695
	2,358,500	348,215
Less: investment expenses	(111,026)	(101,219)
Net investment income	2,247,474	246,996
Other income	1,655	146,283
Total additions	136,427,207	138,736,123
Deductions		
Benefits paid to participants	126,014,196	128,587,330
Medical claims administration fee	4,315,193	3,962,349
Prescription administration fee	162,720	117,051
Administrative expenses	4,562,594	4,567,380
Total deductions	135,054,703	137,234,110
Net change in net assets available for benefits	1,372,504	1,502,013
Net assets available for benefits		
Beginning of year	55,027,925	53,525,912
End of year	$ 56,400,429	$ 55,027,925

See accompanying notes to financial statements.

Food Employers Labor Relations Association and United Food and Commercial Workers VEBA Fund

Statements of Benefit Obligations

December 31, 2019 and 2018

	2019	2018
Amounts currently payable to or for participants, beneficiaries and dependents		
Group insurance and service providers	$ 1,339,619	$ 1,403,699
Claims incurred but not reported	12,888,000	13,526,000
Total	14,227,619	14,929,699
Other obligations for current benefit coverage, at estimated amounts		
Future severance claims	38,832,804	41,288,109
Total obligations other than postretirement benefit obligations	53,060,423	56,217,808
Postretirement benefit obligations, net of amounts currently payable		
Retired participants and beneficiaries	246,840,000	307,502,000
Other participants fully eligible for benefits	44,651,000	54,423,000
Participants not yet fully eligible for benefits	397,000	812,000
Total	291,888,000	362,737,000
Total benefit obligations	$ 344,948,423	$ 418,954,808

See accompanying notes to financial statements.

FOOD EMPLOYERS LABOR RELATIONS ASSOCIATION AND UNITED FOOD AND COMMERCIAL WORKERS VEBA FUND

STATEMENTS OF CHANGES IN BENEFIT OBLIGATIONS

YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
AMOUNTS CURRENTLY PAYABLE TO OR FOR PARTICIPANTS BENEFICIARIES AND DEPENDENTS		
Balance at beginning of year	$ 14,929,699	$ 16,164,935
Net change during the year	(702,080)	(1,235,236)
Balance at end of year	14,227,619	14,929,699
OTHER OBLIGATIONS FOR CURRENT BENEFIT COVERAGE AT ESTIMATED AMOUNTS		
Balance at beginning of year	41,288,109	41,009,054
Accumulated eligibility credits	(2,455,305)	279,055
Balance at end of year	38,832,804	41,288,109
POSTRETIREMENT BENEFIT OBLIGATIONS, NET OF AMOUNTS CURRENTLY PAYABLE		
Balance at beginning of year	362,737,000	366,271,000
Changes in postretirement benefits attributable to		
Expected benefit payments	(16,707,000)	(16,116,000)
Changes in assumptions	(49,349,000)	-
Plan amendments *	(7,927,000)	-
Passage of time	9,217,000	12,542,000
Benefits earned and other changes	41,000	40,000
Other changes	(6,124,000)	-
Balance at end of year	291,888,000	362,737,000
Total benefit obligations at end of year	$ 344,948,423	$ 418,954,808

* EGWP - prospective

See accompanying notes to financial statements.

Note 1. Description of Plan

The following brief description of the Food Employers Labor Relations Association and United Food and Commercial Workers VEBA Fund (the Plan) is provided for general information purposes only. Participants should refer to the applicable summary plan description or program description for more complete information.

General - The Plan is a multi-employer collectively bargained trust fund that provides health and welfare benefits through employee welfare benefit plans that are subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and cover the Plan's active participants and retirees, respectively, and also provides monthly stipends through a separate program not subject to ERISA. Effective on January 1, 2021, prescription drugs for out-of-area Medicare members will be provided through an Employer Group Waiver Plan (EGWP).

Plan Benefits - The Active Plan covers employees and their dependents in jobs covered by collective bargaining agreements. Under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), participants and their dependents may continue their eligibility for a certain period after they cease employment by paying their own contributions. The Active Plan provides benefits for a certain period after the occurrence of a qualifying event. The Active Plan also provides legal, scholarship and severance benefits. Benefit levels vary and are determined by the amount of the contributions as agreed to in the collective bargaining agreements. The Retiree Plan provides health and welfare benefits for certain eligible retirees who have met the age and service requirements, and their dependents and beneficiaries. Eligible retirees may elect health and welfare coverage, including prescription drug coverage, subject to Retiree Plan rules and co-payments, if applicable. Participants should refer to the applicable summary plan description for more complete information. Benefits are recorded when paid by the Plan.

Retiree Assistance Program - On December 3, 2015, the Board of Trustees (the Trustees) amended the Fund's Restated Agreement and Declaration of Trust to reflect the creation of the Retiree Assistance Program (RAP), a non-ERISA program under the Fund. In 2015, certain participating employers contributed amounts to the Fund for the purpose of funding the RAP in advance of its January 1, 2016 effective date. These contributions were deposited directly into the Fund's non-ERISA account, which was first opened in 2015. Effective January 1, 2016, the RAP provides a monthly stipend to certain eligible retirees, dependents and surviving spouses.

NOTE 1. DESCRIPTION OF PLAN (CONTINUED)

Contributions - Contributions to the Fund are made by the employers at rates specified in the collective bargaining agreement with each employer or, in certain situations, by participants.

Other - The income, expenses and assets of the Active Plan, Retiree Plan, and RAP are separately accounted for and the assets of one are not used to pay the liabilities of the others.

Administrative Expenses - Administrative expenses are paid by the Fund.

Stop-Loss Coverage - The Fund has a maintenance of benefit (MOB) plan design. Therefore, stop-loss coverage is not necessary.

Self-Funded Benefits - The claims for self-funded benefits are processed by the Fund's third-party claims processors under administrative services only arrangements. The claim's processor pays claims directly to or on behalf of participant and are then reimbursed by the Fund. Despite the Fund's utilization of third-party claim's processors, ultimate responsibility for payment to providers and participants is retained by the Fund.

Benefit Obligations Claims Incurred but not Reported - This benefit obligation is estimated by the Fund's actuary in accordance with accepted actuarial principles. The Trustees receive the independent actuarial and consulting firm's report and implement the recording of these obligations. The statements of benefit obligations include the actuarial estimate of claims payable and claims incurred but not reported, accumulated eligibility credit obligations, and postretirement benefit obligations which are expected to be funded by future contributions and earnings on investments.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting principles utilized to prepare the financial statements are described as follows:

Basis of Accounting - The accompanying financial statements are prepared using the accrual basis of accounting. Under this basis, revenue is recognized when earned and expenses are recognized when incurred.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations, and changes therein, incurred but not reported (IBNR), eligibility credits, claims payable, and disclosure of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

Employer Contributions Receivable - This amount represents employer contributions received shortly after the close of the plan year. It does not include any additional amounts that may be due from delinquent contributing employers. The Trustees approved a reserve adjustment credit against future contributions, with an effective date of December 2016. As such, no receivable has been accrued for impacted employers.

Note 2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition - Investments are carried at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Fund's Trustees determines the Fund's valuation policies utilizing information provided by its investment advisors and custodian. See Note 3 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Fund's gains and losses on investments bought and sold as well as held during the year.

Reclassifications - In order to conform to the current year form of presentation, certain reclassifications have been made to the prior year financial statements. These reclassifications had no effect on the net assets available for benefits.

Postretirement Benefit Obligation - The postretirement benefit obligation represents the actuarial present value of those estimated future benefits that are attributed to employee service rendered to December 31, 2019. Postretirement benefits include future benefits expected to be paid to or for (1) currently retired employees and their beneficiaries and dependents and (2) active employees and their beneficiaries and dependents after retirement from service with their employer. Prior to an active employee's full eligibility date, the postretirement benefit obligation is the portion of the expected postretirement benefit obligation that is attributed to that employee's service rendered to the valuation date.

The actuarial present value of the expected postretirement benefit obligation is determined by an actuary and is the amount that results from applying actuarial assumptions to historical claims cost data to estimate future annual incurred claims costs per participants and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

Benefits Currently Payable - Amounts currently payable to or for participants, beneficiaries and dependents represent actual and estimated amounts paid or payable after year end for all reported claims for benefits occurring during the respective accounting periods, days lost due to disabilities that began during those periods, payment to benefit providers for benefits in those respective periods, and other miscellaneous benefits related to services performed in those respective periods.

Employer Contributions Receivable - This amount represents contributions received shortly after the close of the Fund's plan year. Therefore, an allowance for doubtful accounts is deemed unnecessary.

Note 2. Summary of Significant Accounting Policies (continued)

New Accounting Pronouncement - In 2018, Accounting Standards Update (ASU) 2018-13 was issued by the Financial Accounting Standards Board. ASU 2018-13 modifies the disclosure requirements on fair value and is effective for plan years beginning after December 15, 2019. Certain fair value investment information has been restated to present that information on a comparative basis. ASU 2018-13 had no material impact on the Plan's financial statements.

Note 3. Fair Value Measurements

Accounting standards provide the framework for measuring fair value which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Fund has the ability to access.

Level 2 - Inputs to the valuation methodology include other significant observable inputs including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2019 and 2018.

Short-term investments: Valued at cost which approximates fair value.

NOTE 3. FAIR VALUE MEASUREMENTS (CONTINUED)

United States Government and government agency obligations, municipal bonds and corporate obligations: Valued using pricing models maximizing the use of observable inputs for similar securities. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote if available.

Mutual funds: Valued at the closing price reported on the active market on which the Funds are traded.

Limited partnership: Valued at net asset value (NAV). The NAV, as provided by the investment advisor, is used as a practical expedient to estimate fair value. The net asset value of these investments is based on the fair value of the underlying assets held by the fund less its liabilities.

The following table sets forth by level, within the fair value hierarchy, the Fund's assets at fair value as of December 31, 2019:

	Assets at Fair Value as of December 31, 2019			
	Total	Quoted Prices (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value				
Short-term investments	$ 18,130,192	$ 18,130,192	$ -	$ -
United States Government and government agency obligations	3,709,015	-	3,709,015	-
Corporate obligations	8,991,358	-	8,991,358	-
Mutual funds	4,857,909	4,857,909	-	-
Municipal bonds	973,964	-	973,964	-
Total assets in the fair value hierarchy	36,662,438	$ 22,988,101	$ 13,674,337	$ -
Investments measured at NAV*				
Limited partnership	2,643,955			
Total investments	$ 39,306,393			

*In accordance with Accounting Standards Codification, investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Note 3. Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Fund's assets at fair value as of December 31, 2018:

	Assets at Fair Value as of December 31, 2018			
	Total	Quoted Prices (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value				
Short-term investments	$ 18,030,410	$ 18,030,410	$ -	$ -
United States Government and government agency obligations	1,784,930	-	1,784,930	-
Corporate obligations	5,542,764	-	5,542,764	-
Mutual funds	2,896,660	2,896,660	-	-
Municipal bonds	290,439	-	290,439	-
Total assets in the fair value hierarchy	28,545,203	$ 20,927,070	$ 7,618,133	$ -
Investments measured at NAV*				
Limited partnership	2,473,635			
Total investments	$ 31,018,838			

*In accordance with Accounting Standards Codification, investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Fair Value of Investments that Calculate Net Asset Value

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2019 and 2018, respectively.

	Fair Value				
Investment type	2019	2018	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Limited partnership	$ 2,643,955	$ 2,473,635	None	Discretionary	N/A

The Fund's investment in the limited partnership category consists of two individual investments. These investments seek to achieve long term-growth of capital consistent with risk reduction through diversification. These investments are subject to various restrictions on redemption and frequency.

NOTE 4. POSTRETIREMENT BENEFITS

The postretirement benefit obligation represents the total actuarial present value of those estimated future plan benefits that are attributed to employee service rendered to December 31, 2019 and 2018, reduced by the actuarial present value of contributions expected to be received in the future on behalf of current plan participants. Postretirement benefits include future benefits for (1) currently eligible retired employees and their eligible dependents and (2) active employees and their beneficiaries and dependents after retirement from service with participating employers. Prior to an active employee's full eligibility date, the postretirement benefit obligation is the portion of the expected postretirement benefit that is attributed to that employee's service in the industry rendered to the valuation date.

The actuarial present value of the expected benefit obligations is determined by an actuary and is the amount that results from applying actuarial assumptions to historical claims-cost data to estimate future annual incurred claims costs per participant and to adjust such estimates for the time value of money (through discounts of interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

On December 8, 2003, the President signed into law the Medicare Prescription Drug Improvement and Modernization Act of 2003 (the Act) for employers that sponsor postretirement health care plans that provide prescription drug benefits. The Act introduces a prescription drug benefit under Medicare (Medicare Part D) as well as a Federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to Medicare Part D.

Some of the more significant actuarial assumptions used to calculate the postretirement benefit obligation at December 31, 2019 and 2018 are as follows:

Medical Non-Medicare	N/A
Medical Medicare Trends	Mixture of trends eventually reaching ultimate rate of 3.5% per annum in 2032
Prescription Trends	Mixture of trends eventually reaching ultimate rate of 3.5% per annum in 2032

Discount Rate: For the years ended December 31, 2019 and 2018, the discount rate is 3.25% and 3.50%, respectively.

Note 4. Post-Retirement Benefits (continued)

Participant Contribution Trend: Since retiree contributions are assumed to cover a percentage of total (or Medicare only) costs, the trend is a mixture of the trends in the table above eventually reaching an ultimate rate of 3.50% per annum.

If the assumed rates increased by one percentage point in each year, it would increase the benefit obligations as of December 31, 2019 and 2018 by $33,734,000 and $46,350,000, respectively.

<u>Demographic Assumptions</u>

Rates of retirement: Ranges from age 50 through 65. With less than 30 years of service, 8.50% at age 55 through 30% at age 65. With more than 30 years of service, 20% at age 50 through 40% at age 65.

Rates of disability: Terminations of employment for disability are assumed to be equal to 50% of the Group Long Term Disability Insurance Crude Rates of Disablement for males published in the Transactions of the Society of Actuaries, 1979.

Rate of Mortality: Active mortality is based on sex distinct RP-2000 Combined. For healthy retirees, the mortality is based upon RP-2000 Healthy Annuitant with male set forward one year. Disabled life mortality is based on RP-2000 Disabled Annuitant for ages prior to 65. The same mortality as Healthy Inactives for ages 65 and older.

Percent of Retirees Electing Coverage: It is assumed that 100% of new Non-Medicare retirees and 80% of new Medicare eligible retirees elect to join the program.

Family Composition: 50% of future retirees are assumed to be married and elect spouse coverage. Male spouses are assumed to be 3 years older than female spouses.

The foregoing assumptions are based on the assumption that the Fund will continue. Were the Fund to terminate, or the benefits provided there under modified, amended or terminated, in whole or in part, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of the postretirement benefit obligation.

Note 5. Priorities Upon Termination

It is the present intent of the Trustees to continue the Fund and its Plans indefinitely. However, in order to safeguard against any unforeseen contingencies, the right to discontinue the Fund and its Plans is reserved to the Trustees. In the event of termination of the Fund and its Plans, the Trustees shall first satisfy or make provisions to satisfy the obligations of the Fund and its Plans. Any remaining plan assets will be distributed in such manner as will, in the opinion of the trustees, bring about purpose of the Fund and its Plans. Termination shall not permit any part of the plan assets to be used for or diverted to purposes other than the exclusive benefit of the participants. However, as stated under the terms of the Fund and its Plans, the Trustees and/or collective bargaining parties reserve the right to amend, modify or terminate the Fund and its Plans and benefits provided there under, in whole or in part, at any time.

Note 6. Tax Status

The Internal Revenue Service advised the Fund by letter dated April 15, 2015, that it qualifies under Section 501(c)(9) of the Internal Revenue Code (IRC) as a Voluntary Employees' Benefit Association and is, therefore, not subject to tax under present income tax laws. The Fund and its Plans have been amended since receiving the exemption letter. The Fund's Trustees believe that the Fund is currently designed and being operated in compliance with the applicable requirements of the IRC. The Trustees believe that the Fund is qualified, and the related Trust was tax-exempt as of the financial statement date.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Fund and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination. The Fund's administrator is not aware of any uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements as of December 31, 2019. The Fund is subject to routine audits by taxing jurisdictions.

Note 7. Risks and Uncertainties

The Fund invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

The actuarial present value of benefit obligations is reported based on certain assumptions pertaining to interest rates, health care inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements.

Note 8. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of the Fund's net assets available for benefits per the accompanying financial statements to Form 5500:

	2019	2018
Net assets available for benefits per the financial statements	$ 56,400,429	$ 55,027,925
Benefit obligations currently payable	(14,227,619)	(14,929,699)
Net assets available for benefits per Form 5500	$ 42,172,810	$ 40,098,226

NOTE 8. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (CONTINUED)

The following is a reconciliation of benefits paid to or for participants and dependents as per the financial statements to Form 5500 for the years ended December 31, 2019 and 2018:

	2019	2018
Benefits paid per the financial statements	$ 126,014,196	$ 128,587,330
Add: amounts currently payable at end of year	14,227,619	14,929,699
Less: amounts payable at beginning of year	(14,929,699)	(16,164,935)
Benefits paid to or for participants and dependents per the Form 5500	$ 125,312,116	$ 127,352,094

Benefits paid to or for participants and dependents recorded on Form 5500 include benefit claims that have been processed and approved for payment prior to December 31, 2019, but not yet paid as of that date.

NOTE 9. SIGNIFICANT PLAN AMENDMENTS

There were no significant plan amendments adopted during the Plan year ended December 31, 2019.

NOTE 10. SUBSEQUENT EVENTS

Subsequent to year-end, U.S. and global business and financial markets have been severely impacted by the Coronavirus pandemic. The potential impacts on the Plan's financial condition and activities cannot be determined at this time. All subsequent events have been evaluated through October 8, 2020, which is the date the financial statements were available to be issued. This review and evaluation revealed no other material event or transaction which would require an adjustment to or disclosure in the accompanying financial statements.

Supplemental Information

Food Employers Labor Relations Association And United Food and Commercial Workers VEBA Fund

Schedule of Assets (Held at End of Year)

December 31, 2019

Form 5500, Schedule H, Line 4i

EIN: 52-1036978
Plan No. 001

(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value: Description	Maturity Date	Rate of Interest	Par/Maturity Value or Shares	(d) Cost	(e) Current Value
Short-Term Investments						
PNC Government Fund	Money Market	N/A	N/A	18,130,192	$ 18,130,192	$ 18,130,192
Total Short-Term Investments					18,130,192	18,130,192
US Government & Agencies Obligations						
Federal Hm Ln Bank Bnds	Bonds	11/16/2028	3.250%	30,000	33,544	32,808
Federal Hm Ln Mtg Corp Gld Pl G11769	Bonds	10/01/2020	5.000%	569.00	572	588
Federal Hm Ln Mtg Corp Gld Pl G15144	Bonds	07/01/2029	2.500%	63,058.00	63,886	63,937
Federal Hm Ln Mtg Corp Gld Pl G16583	Bonds	05/01/2033	2.500%	48,374.00	48,782	49,750
Federal Hm Ln Mtg Corp Gld Pl G18509	Bonds	04/01/2029	3.500%	92,618.00	96,048	96,414
Federal Hm Ln Mtg Corp Gld Pl G18575	Bonds	11/01/2030	3.000%	58,385	59,938	60,150
Federal Hm Ln Mtg Corp Gld Pl J20129	Bonds	08/01/2027	2.500%	75,924	77,158	76,981
Federal Hm Ln Mtg Corp Pl 1G2247	Bonds	10/01/2037	VAR%	176	176	181
Federal Hm Ln Mtg Corp Pl ZS8588	Bonds	11/01/2030	3.000%	13,184	13,427	13,575
Federal Hm Ln Mtg Corp Pl ZS8591	Bonds	12/01/2030	3.000%	113,660	116,253	117,031
Federal Natl Mtg Assn	Bonds	09/06/2024	2.625%	145,000	148,552	150,955
Federal Natl Mtg Assn NTS	Bonds	04/24/2026	2.125%	150,000.00	150,698	152,270
Federal Natl Mtg Assn NTS	Bonds	01/05/2022	2.000%	20,000.00	19,573	20,154
Federal Natl Mtg Assn Pl 256808	Bonds	07/01/2037	5.500%	212	204	225
Federal Natl Mtg Assn Pl 256900	Bonds	09/01/2037	5.500%	148	144	154
Federal Natl Mtg Assn Pl 257275	Bonds	07/01/2023	5.000%	5,534	5,699	5,750
Federal Natl Mtg Assn Pl 725162	Bonds	02/01/2034	6.000%	20,418	22,527	23,033
Federal Natl Mtg Assn Pl 735141	Bonds	01/01/2035	5.500%	15,804	1,066	17,789
Federal Natl Mtg Assn Pl 880871	Bonds	04/01/2036	5.500%	863.00	89	926
Federal Natl Mtg Assn Pl 899303	Bonds	03/01/2037	5.500%	190.00	14	200
Federal Natl Mtg Assn Pl 922386	Bonds	01/01/2037	5.500%	1,156.00	109	1,229
Federal Natl Mtg Assn Pl AB6192	Bonds	09/01/2027	2.500%	12,077.00	330	12,239
Federal Natl Mtg Assn Pl AE8748	Bonds	12/01/2040	4.000%	18,110.00	19,097	19,430
Federal Natl Mtg Assn Pl AJ1413	Bonds	09/01/2041	4.500%	14,361.00	15,441	15,598
Federal Natl Mtg Assn Pl AL2460	Bonds	10/01/2027	2.500%	24,061.00	24,043	24,384
Federal Natl Mtg Assn Pl AL9809	Bonds	07/01/2031	3.500%	49,101.00	51,632	51,036
Federal Natl Mtg Assn Pl AX8309	Bonds	07/01/2031	3.000%	61,335.00	62,677	63,149
Federal Natl Mtg Assn Pl MA3364	Bonds	05/01/2033	3.500%	157,144.00	1,466	163,439
Federal Natl Mtg Assn Pl MA3427	Bonds	07/01/2033	4.000%	41,237.00	652	43,068
Federal Natl Mtg Assn USNC	Bonds	09/24/2026	1.875%	185,000.00	180,164	184,669
USA Treasury Notes	Notes	05/15/2029	2.375%	285,000.00	296,778	296,434
USA Treasury Notes	Notes	07/31/2022	1.875%	15,000.00	14,579	15,106
USA Treasury Notes	Notes	11/15/2027	2.250%	50,000.00	51,649	51,422
USA Treasury Notes	Notes	11/15/2023	2.750%	40,000.00	41,085	41,633
USA Treasury Notes	Notes	08/15/2024	2.375%	135,000.00	136,633	139,135
USA Treasury Notes	Notes	02/15/2025	2.000%	100,000	98,976	101,445
USA Treasury Notes	Notes	11/15/2025	2.250%	200,000	202,412	205,446
USA Treasury Notes	Notes	08/15/2026	1.500%	260,000	247,086	254,972
USA Treasury Notes	Notes	11/15/2026	2.000%	200,000	195,270	202,320
USA Treasury Notes	Notes	02/15/2028	2.750%	240,000	251,009	255,871
Total US Government & Agencies Obligations					2,749,438	3,024,896
Corporate Obligations						
Ace Ina Holdings	Bonds	05/15/2024	3.350%	70,000	73,074	73,760
ADT Corp	Bonds	10/15/2021	6.250%	90,000	96,767	94,950
AES Corp/VA	Bonds	03/15/2021	4.000%	95,000	95,864	96,306
Albertsons,COS, LLC	Bonds	06/15/2024	6.625%	10,000	10,500	10,467
Alcoa Inc	Bonds	04/15/2021	5.400%	90,000	94,414	92,785
Ambac Assurance Corp	Bonds	06/07/2020	5.100%	696	1	1,030
Ambac Lsni LLC	Bonds	02/12/2023	VAR%	2,739	2,773	2,773
AMC Networks, Inc.	Bonds	04/01/2020	5.000%	90,000	92,888	91,800
Ameren Illinois Co	Bonds	09/01/2022	2.700%	25,000	25,476	25,447
American Tower Corp	Bonds	06/01/2020	2.800%	65,000	65,145	65,187
Amphenol Corp	Bonds	02/01/2022	4.000%	45,000	45,484	46,368
Anheuser Busch Inbev Worldwide	Bonds	01/23/2029	4.750%	45,000	47,659	52,163
Antero Resources Finance	Bonds	11/01/2021	5.375%	95,000	95,972	90,458

Food Employers Labor Relations Association
And United Food and Commercial Workers
VEBA Fund

Schedule of Assets (Held at End of Year), (continued)

December 31, 2019

Form 5500, Schedule H, Line 4i

EIN: 52-1036978
Plan No. 001

(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value: Description	Maturity Date	Rate of Interest	Par/Maturity Value or Shares	(d) Cost	(e) Current Value
Apple, Inc.	Bonds	09/11/2024	1.800%	60,000	$ 59,620	$ 59,628
Aramark Services, Inc.	Bonds	01/15/2024	5.125%	95,000	97,979	97,489
Arizona Public Service	Bonds	06/15/2024	3.350%	95,000	97,932	99,283
AT&T Broadband Corp	Bonds	11/15/2022	9.455%	75,000	99,548	90,639
Avery Dennison Corp	Bonds	12/06/2028	4.875%	55,000	57,405	62,289
Ballcorp	Bonds	03/15/2022	5.000%	90,000	93,840	95,175
Baxter International Inc	Bonds	08/15/2022	2.400%	100,000	98,078	100,735
BP Cap Markets America	Bonds	09/21/2025	3.796%	90,000	93,018	97,405
California St Dept of Wtr Resource	Bonds	05/01/2021	1.713%	170,043	170,043	169,975
Canadian National Railway	Bonds	12/15/2021	2.850%	95,000	95,585	96,394
Capital One Multi Asset Execute	Bonds	07/17/2023	1.990%	130,000	129,882	130,137
Capital One Multi Asset Execute	Bonds	01/17/2023	2.000%	65,000	64,878	65,008
Carnival Corp	Bonds	10/15/2020	3.950%	85,000	87,272	86,275
Caterpillar Inc	Bonds	05/15/2024	3.400%	75,000	76,717	79,436
CCO Hldgs LLC	Bonds	09/30/2022	5.250%	95,000	97,141	96,069
Centene Corp	Bonds	05/15/2022	4.750%	95,000	97,296	96,900
Chevron	Bonds	06/24/2023	3.191%	90,000	91,576	93,695
Church & Dwight Co Inc	Bonds	08/01/2022	2.450%	50,000	49,948	50,427
Cintas Corp.	Bonds	04/01/2027	3.700%	90,000	94,759	97,641
Cit Group Inc	Bonds	08/15/2022	5.000%	90,000	92,917	95,400
Clearwater Paper Corp	Bonds	02/01/2023	4.500%	50,000	47,738	50,063
CME Group Inc	Bonds	09/15/2022	3.000%	95,000	95,918	97,801
CNH Equipment Trust	Bonds	07/17/2023	3.120%	60,000	59,987	60,694
CNH Industrial Capital LLC	Bonds	11/06/2020	4.138%	65,000	66,367	66,056
Coca-Cola Co	Bonds	10/27/2025	2.875%	45,000	45,576	46,924
Commonwealth Edison Co	Bonds	09/01/2021	3.400%	65,000	66,946	66,494
Connecticut Light & Power	Bonds	01/15/2023	2.500%	45,000	45,110	45,658
Contental Airlines	Bonds	01/12/2021	4.750%	46,609	48,633	47,607
Contl Airlines 2012-2 A	Bonds	04/29/2026	4.000%	55,953	59,376	59,045
Countrywide Home Loans	Bonds	05/20/2036	VAR%	13,545	15,077	12,970
Crown America Captl Corp IV	Bonds	01/15/2023	4.500%	90,000	91,488	94,613
DCP Midstream Operat Ng	Bonds	04/01/2022	4.950%	50,000	51,694	51,875
Delmarva Light Co	Bonds	11/15/2023	3.500%	60,000	63,568	62,814
Delta Air Lines	Bonds	10/25/2025	3.204%	100,000	102,310	104,025
DTE Electric Co	Bonds	06/15/2022	2.650%	55,000	55,045	55,861
Dynegy, Inc.	Bonds	06/01/2023	5.875%	60,000	61,345	61,382
Eaton Corp	Bonds	11/02/2022	2.750%	45,000	45,435	45,918
EMC Corp	Bonds	06/01/2020	2.650%	95,000	92,849	95,017
Energytran	Bonds	10/15/2020	7.500%	90,000	97,901	93,531
Enterprise Products Oper	Bonds	02/15/2021	2.800%	95,000	95,105	95,906
Equinixinc	Bonds	01/01/2022	5.375%	95,000	98,594	96,277
Estee Lauder Co Inc	Bonds	05/10/2021	1.700%	90,000	89,237	89,889
Evergy Inc.	Bonds	09/15/2024	2.450%	35,000	34,939	35,208
Exxon Mobil Corporation	Bonds	03/01/2021	2.222%	95,000	95,074	95,561
Federal Home Loan Mtg Corp	Bonds	02/15/2022	1.625%	9,576	9,350	9,554
Federal Home Loan Mtg Corp	Bonds	10/15/2039	3.000%	35,486	3,662	35,986
Federal Home Loan Mtg Corp	Bonds	02/25/2043	6.500%	11,609	11,956	13,515
Federal Home Loan Mtg Corp	Bonds	10/15/2024	5.000%	1,645	1,626	1,713
Federal Home Loan Mtg Corp	Bonds	07/15/2025	5.000%	12,051	11,309	12,670
Federal Natl Mtg Assn	Bonds	06/25/2042	6.500%	6,319	6,514	7,229
Federal Natl Mtg Assn	Bonds	05/25/2044	6.500%	18,908	19,717	21,625
Federal Natl Mtg Assn	Bonds	08/25/2023	4.500%	1,906	1,719	1,969
Federal Natl Mtg Assn	Bonds	08/25/2023	4.000%	290	264	294
Federal Natl Mtg Assn	Bonds	06/25/2024	4.500%	14,568	14,959	15,272
Fedex Corp	Bonds	02/01/2025	3.200%	30,000	30,529	31,123
FHLMC Multifamily Structured P	Bonds	10/25/2022	2.682%	125,000	125,537	127,099
FHLMC Multifamily Structured P	Bonds	01/25/2021	2.856%	39,049	39,329	39,217
FHLMC Multifamily Structured P	Bonds	03/25/2026	2.673%	80,000	81,628	82,082
FHLMC Multifamily Structured P	Bonds	08/25/2023	3.458%	120,000	124,648	125,630
FHLMC Multifamily Structured P	Bonds	08/25/2024	VAR%	111,000	112,538	115,182
FHLMC Multifamily Structured P	Bonds	08/25/2025	3.750%	70,000	75,589	75,082
Fiat Chrysler Automobile	Bonds	04/15/2020	4.500%	95,000	96,854	95,594
Ford Motor Credit Co.	Bonds	08/06/2023	4.375%	45,000	46,344	46,795
Ford Motor Credit Co.	Bonds	01/07/2022	5.596%	15,000	15,793	15,808
Ford Motor Credit Co.	Bonds	10/01/2024	4.063%	30,000	30,533	30,618
Glaxosmithkline Cap Inc	Bonds	05/15/2023	3.375%	90,000	91,651	93,869

Food Employers Labor Relations Association
And United Food and Commercial Workers
VEBA Fund

Schedule of Assets (Held at End of Year), (continued)

December 31, 2019

EIN: 52-1036978
Form 5500, Schedule H, Line 4i — Plan No. 001

(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value: Description	Maturity Date	Rate of Interest	Par/Maturity Value or Shares	(d) Cost	(e) Current Value
GLP Capital LP	Bonds	04/15/2021	4.375%	95,000	$ 96,781	$ 96,845
GMAC Mortgage Corp Loan Trust	Bonds	12/25/2037	6.054%	4,979	4,156	4,986
Group 1 Automotive	Bonds	06/01/2022	5.000%	95,000	97,061	96,306
HCA Inc	Bonds	02/15/2022	7.500%	85,000	94,262	93,925
Icahn Enterprises	Bonds	02/01/2022	6.250%	75,000	77,173	76,425
Illinois Tool Works Inc	Bonds	11/15/2026	2.650%	80,000	79,198	82,158
Indiana Michigan Power	Bonds	05/15/2028	3.850%	45,000	46,385	49,169
Istar Inc	Bonds	04/01/2022	6.000%	95,000	97,709	97,850
John Deere Owner Trust	Bonds	11/15/2022	3.080%	100,000	100,747	101,027
Kimberly-clark Corp	Bonds	11/01/2028	3.950%	55,000	60,074	61,123
Lennar Corp	Bonds	11/15/2022	4.750%	35,000	36,858	36,750
Lennar Corp	Bonds	01/15/2022	4.125%	61,350	61,737	61,350
Level 3 L Financing Inc	Bonds	08/15/2022	5.375%	47,000	47,634	47,174
Limited Brands, Inc	Bonds	02/15/2022	5.625%	15,000	15,725	15,788
Magellan Midstream Partner	Bonds	02/01/2021	4.250%	100,000	104,415	102,464
McDonald's Corp	Bonds	01/30/2026	3.700%	70,000	75,637	75,533
Mercer International, Inc.	Bonds	02/01/2024	6.500%	50,000	51,588	51,875
Microsoft Corp	Bonds	11/03/2022	2.650%	40,000	40,575	40,966
Moody's Corporation	Bonds	06/07/2021	3.250%	55,000	55,392	56,019
Navient Corp.	Bonds	03/25/2021	5.875%	45,000	46,851	46,485
Navient Corp.	Bonds	07/26/2021	6.625%	50,000	53,125	52,875
Norfolk Southern Corp	Bonds	12/01/2021	3.250%	100,000	102,631	102,153
Oncor Electric Delivery	Bonds	09/01/2022	7.000%	85,000	98,461	94,989
O'Reilly Automotive Inc.	Bonds	03/15/2026	3.550%	65,000	63,406	68,787
Paccar Financial Corp	Bonds	08/09/2021	3.150%	90,000	90,943	91,891
Phillips 66	Bonds	03/15/2028	3.900%	50,000	51,919	54,547
Pitney Bowes Inc	Bonds	10/01/2021	3.375%	95,000	92,508	96,306
PNC Financial Services	Bonds	07/23/2026	2.600%	75,000	76,057	75,957
Polyone Corp	Bonds	03/15/2023	5.250%	90,000	93,724	96,985
Praxair II	Bonds	09/01/2021	3.000%	50,000	50,523	51,019
Progressive Corp	Bonds	03/01/2029	4.000%	75,000	82,955	83,876
Progressive Energy Carolina	Bonds	05/15/2022	2.800%	100,000	101,083	102,122
Prologis, LP	Bonds	08/15/2023	4.250%	25,000	26,677	26,775
Public Service Colorado	Bonds	05/15/2025	2.900%	90,000	90,825	92,762
Public Service Electric	Bonds	11/15/2024	3.050%	95,000	98,669	98,557
Public Storage	Bonds	09/15/2022	2.370%	30,000	28,892	30,334
Quest Diagnostic Inc	Bonds	01/30/2020	4.750%	60,000	62,288	60,107
Republic Services Inc	Bonds	05/15/2023	4.750%	75,000	81,943	80,769
Roper Technologies Inc	Bonds	09/15/2023	3.650%	50,000	49,991	52,506
Royal Caribbean Cruises	Bonds	11/28/2020	2.650%	80,000	80,296	80,410
Seagate HDD Cayman	Bonds	06/01/2023	4.750%	10,000	10,589	10,633
SLM Corp	Bonds	04/05/2022	5.125%	65,000	65,000	67,275
Springleaf Finance Corp.	Bonds	03/15/2023	5.625%	50,000	51,738	53,875
Springleaf Finance Corp.	Bonds	03/15/2024	6.125%	40,000	41,877	43,800
Starbucks Corp	Bonds	08/15/2029	3.550%	50,000	50,552	54,242
Starwood Property Trust	Bonds	12/15/2021	5.000%	90,000	93,244	93,375
Steel Dynamics Inc	Bonds	10/01/2021	5.125%	95,000	96,686	95,057
Sunoco LP Finance Corp	Bonds	01/15/2023	4.875%	95,000	96,256	97,139
Targa Resources Partners Lp	Bonds	05/01/2023	5.250%	95,000	96,294	95,950
Tenet Healthcare Corp.	Bonds	07/15/2024	4.625%	90,000	92,607	92,138
T-Mobile USA Inc	Bonds	04/15/2022	4.000%	95,000	95,916	97,256
Twin Reefs Pass-through	Bonds	12/31/2049	VAR%	100,000	101,283	200
Union Pacific RR Co	Bonds	05/14/2026	3.227%	111,780	113,393	115,909
United Parcel Service	Bonds	03/15/2029	3.400%	25,000	24,971	26,858
Ventas Realty, LP	Bonds	04/15/2024	3.500%	80,000	81,630	83,573
Verizon Communications	Bonds	03/16/2027	4.125%	65,000	71,887	72,166
Verizon Owner Trust	Bonds	04/20/2023	3.230%	110,000	111,172	111,862
Virginia Elec & Power Co	Bonds	04/01/2028	3.800%	60,000	64,418	65,291
Walt Disney Company	Bonds	02/12/2021	2.300%	95,000	95,279	95,628
Waste Management Inc	Bonds	05/15/2024	3.500%	55,000	55,967	57,820
Williams Partners LP	Bonds	03/15/2020	5.250%	125,000	130,488	125,734
Wisconsin Electric Power	Bonds	06/01/2025	3.100%	95,000	96,973	99,142
Total Corporate Obligations					9,673,906	9,675,477

Food Employers Labor Relations Association
And United Food and Commercial Workers
VEBA Fund

Schedule of Assets (Held at End of Year), (continued)

December 31, 2019

Form 5500, Schedule H, Line 4i

EIN: 52-1036978
Plan No. 001

(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value: Description	Maturity Date	Rate of Interest	Par/Maturity Value or Shares	(d) Cost	(e) Current Value
Municipal Bonds						
California St	Municipal	04/01/2021	2.625%	60,000	$ 60,915	$ 60,649
Dallas-Ft. Worth Texas International	Municipal	11/01/2026	2.256%	80,000	80,000	78,917
Great Lakes MI Wtr Auth Sewage	Municipal	07/01/2023	3.500%	45,000	45,000	47,562
Great Lakes MI Wtr Auth Sewage	Municipal	07/01/2024	3.613%	85,000	90,400	91,374
Honolulu City & County	Municipal	07/01/2025	2.316%	65,000	65,000	65,832
Massachusetts St Water Resources	Municipal	08/01/2026	2.163%	120,000	120,000	118,306
Metro Wastewater Reclamation Dist	Municipal	04/01/2025	2.124%	55,000	55,000	54,981
Nebraska St Public Pwr Dist Re	Municipal	01/01/2027	2.493%	60,000	60,000	59,735
New York St Urban Dev Corp Rev	Municipal	03/15/2028	3.270%	105,000	106,083	110,073
Port Auth of New York & NE	Municipal	09/15/2020	2.477%	95,000	95,135	95,431
Regl Transportation Auth IL	Municipal	05/29/2020	3.013%	35,000	35,000	35,155
Utah St	Municipal	07/01/2020	3.289%	90,000	91,017	90,694
Virginia St Resources Auth Inf	Municipal	11/01/2028	2.530%	65,000	65,000	65,255
Total Municipal Bonds					968,550	973,964
Registered Investment Companies						
Vanguard Total Stk Mkt Indx #585	Mutual Fund	N/A	N/A	60,960	3,609,536	4,857,909
Total Registered Investment Companies					3,609,536	4,857,909
Limited Partnership						
American Core Realty Fund 11	LP	N/A	N/A	21	2,330,083	2,643,955
Total Limited Partnership					2,330,083	2,643,955
Total Schedule of Assets (Held at End of Year)					$ 37,461,705	$ 39,306,393

Food Employers Labor Relations Association And United Food and Commercial Workers VEBA Fund

Schedule of Reportable Transactions

Year Ended December 31, 2019

Form 5500, Schedule H, Line 4i

EIN: 52-1036978

Plan No. 501

(a) Identity of Party Involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
N/A	PNC Govt. Money Market	$ 129,662,329	N/A	N/A	$ 129,662,329	N/A
N/A	PNC Govt. Money Market	N/A	$ 147,692,049	$ 147,692,049	N/A	$ -

Food Employers Labor Relations Association
And United Food and Commercial Workers
VEBA Fund

Schedule of Net assets Available for Benefits - by Type of Benefit

December 31, 2019

	Health and Welfare	Legal	Severance	Scholarship	Total
Assets					
Investments - at fair value					
Short-term investments	$ 16,143,143	$ 282,042	$ 1,689,727	$ 15,280	$ 18,130,192
United States Government and government agencies obligations	3,709,015	-	-	-	3,709,015
Corporate obligations	8,991,358	-	-	-	8,991,358
Limited partnerships	2,643,955	-	-	-	2,643,955
Mutual funds	4,857,909	-	-	-	4,857,909
Municipal bonds	973,964	-	-	-	973,964
Total investments	37,319,344	282,042	1,689,727	15,280	39,306,393
Allocated share of investments	(1,793,765)	308,430	1,381,747	103,588	-
	35,525,579	590,472	3,071,474	118,868	39,306,393
Receivables					
Participating employers' contributions	10,638,446	268,798	11,006	-	10,918,250
Interest and dividends	124,147	100	2,403	13	126,663
Dues from broker for investments sold	-	-	-	-	-
Prescription related receivable	5,252,530	-	-	-	5,252,530
Total receivables	16,015,123	268,898	13,409	13	16,297,443
Cash	3,041,987	-	-	-	3,041,987
Total assets	54,582,689	859,370	3,084,883	118,881	58,645,823
Liabilities and Net Assets					
Liabilities					
Accounts payable and accrued expenses	2,184,927	47,189	12,906	372	2,245,394
Net assets available for benefits	$ 52,397,762	$ 812,181	$ 3,071,977	$ 118,509	$ 56,400,429

FOOD EMPLOYERS LABOR RELATIONS ASSOCIATION AND UNITED FOOD AND COMMERCIAL WORKERS VEBA FUND

SCHEDULE OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - BY TYPE OF BENEFIT

YEAR ENDED DECEMBER 31, 2019

	Health and Welfare	Legal	Severance	Scholarship	Total
ADDITIONS					
Contribution income					
Participating employers	$ 123,274,354	$ 3,316,463	$ 2,972,272	$ -	$ 129,563,089
Participants	4,614,989	-	-	-	4,614,989
Total contribution income	127,889,343	3,316,463	2,972,272	-	134,178,078
Investment income					
Net appreciation (depreciation) in fair value of investments value of investments	1,242,422	17,082	50,269	51,694	1,361,467
Interest and dividends	946,527	2,927	47,380	199	997,033
	2,188,949	20,009	97,649	51,893	2,358,500
Less: investment expenses	(110,261)	(274)	(479)	(12)	(111,026)
Net investment income (loss)	2,078,688	19,735	97,170	51,881	2,247,474
Other income	1,655	-	-	-	1,655
Total additions	129,969,686	3,336,198	3,069,442	51,881	136,427,207
DEDUCTIONS					
Benefits paid to participants	119,473,466	3,113,793	3,410,789	16,148	126,014,196
Medical claims administration fee	4,315,193	-	-	-	4,315,193
Prescription administration fee	162,720	-	-	-	162,720
Administrative expenses	3,809,041	288,549	423,084	41,920	4,562,594
Total deductions	127,760,420	3,402,342	3,833,873	58,068	135,054,703
NET CHANGE	2,209,266	(66,144)	(764,431)	(6,187)	1,372,504
NET ASSETS AVAILABLE FOR BENEFITS					
Beginning of year	50,188,496	878,325	3,836,408	124,696	55,027,925
End of year	$ 52,397,762	$ 812,181	$ 3,071,977	$ 118,509	$ 56,400,429

Food Employers Labor Relations Association
And United Food and Commercial Workers
VEBA Fund

Schedules of Administrative Expenses

Years Ended December 31, 2019 and 2018

	2019	2018
Contract administrator fees	$ 3,444,973	$3,420,211
Trustee meetings and expenses	4,773	25,089
Legal	480,664	504,862
Actuary and consulting fees	229,320	188,362
Audit and compliance audit fees	117,045	92,384
Postage, printing and miscellaneous	198,104	177,556
Insurance - life insurance premiums	-	30,109
Insurance - fidelity and fiduciary policies	57,467	58,697
Telephone	5,732	6,936
Prescription audit	24,516	63,174
Total	$ 4,562,594	$4,567,380

Food Employers Labor Relations Association
And United Food and Commercial Workers
VEBA Fund

Schedules of Employer Contributions

Years Ended December 31, 2019 and 2018

	2019	2018
Associated Administrators	$ 981,358	$ 971,839
Basics/Metro	152,571	173,195
Chessie Federal Credit Union	886	874
Food-A-Rama	1,400	1,753
Giant Food	86,665,336	90,245,828
Safeway Stores	47,369,745	48,595,261
UFCW Local 400	31,538	41,699
UFCW Local 27	20,344	22,090
Wepco Federal Credit Union	1,658	2,741
Adjustment: VEBA RAP Funding	(5,661,747)	(6,400,254)
Total	$ 129,563,089	$ 133,655,026

FOOD EMPLOYERS LABOR RELATIONS ASSOCIATION
AND UNITED FOOD AND COMMERCIAL WORKERS
VEBA FUND

SCHEDULES OF BENEFITS

YEARS ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
SELF FUNDED CLAIMS		
Hospital, medical and surgical	$ 52,084,724	$ 53,216,975
Accident and sickness	4,950,835	5,333,912
Scholarship expense	18,689	19,112
Severance	3,410,789	5,578,693
Prescription drug programs	28,119,909	28,094,430
INSURANCE COMPANIES AND SERVICE PROVIDERS		
Legal provider premiums	3,113,793	3,183,117
Dental insurance premiums	6,085,938	6,328,182
HMO		
Kaiser Permanente	7,716,134	8,095,109
CareFirst	18,054,038	15,253,733
Life insurance	165,693	188,003
Optical	870,003	891,424
Other medical		
Value Options/Value Behavioral Health	1,423,651	2,404,640
	$ 126,014,196	$ 128,587,330